

## **RESOLUTION GRANTING THIRD ROUND SUBSTANTIVE CERTIFICATION #61-18**

### **Haddonfield Borough, Camden County**

WHEREAS, on November 22, 2004, the Council on Affordable Housing (COAH) issued a an order restraining Haddonfield Borough from issuing further development approvals, to remain in effect until such time as Haddonfield receives third round substantive certification from COAH; and

WHEREAS, on December 31, 2008, Haddonfield Borough, Camden County, petitioned COAH for third round substantive certification of a Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation; and

WHEREAS, Haddonfield's petition was deemed complete on January 28, 2009; and

WHEREAS, Haddonfield Borough published notice of its petition in the *Courier Post* on January 31, 2009, which is a newspaper of general circulation within the county, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5; and

WHEREAS, during the 45-day objection period, which ended March 17, 2009, COAH received an objection from Fair Share Housing Center; and

WHEREAS, COAH issued a Pre-mediation Report Requesting Additional Information on June 25, 2009; and

WHEREAS, mediation commenced on July 28, 2009; and

WHEREAS, mediation concluded on January 27, 2010; and

WHEREAS, a Mediation Report was issued on January 27, 2010, as part of the Borough's Compliance Report (attached herewith as Exhibit A); and

WHEREAS, the mediation in this matter did not result in a settlement and the mediator does not believe that further mediation before COAH would result in a settlement being reached; and

WHEREAS, the mediator finds that there are not any outstanding issues of material fact which necessitate referral to the Office of Administrative Law; and

WHEREAS, Haddonfield Borough's Fair Share Plan addresses its 29-unit rehabilitation obligation, its 192-unit prior round obligation consisting of a 37-unit Realistic Development

Potential (RDP) and a 155-unit unmet need, and its zero-unit adjusted, projected growth share obligation pursuant to Appendix F of N.J.A.C. 5:97; and

WHEREAS, Haddonfield proposes to address its 29-unit rehabilitation obligation through the Camden County rehabilitation program; and

WHEREAS, the Borough proposes to address its 37-unit RDP with 24 post-1986 credits, 10 affordable sale units in the Bancroft redevelopment area, 10 family rental units in the Bancroft/CIS development and nine rental bonuses, said credits totaling 53. The Borough proposes to apply the 16 units above the RDP to its unmet need; and

WHEREAS, the Borough proposes to address a portion of the 155-unit unmet need with the 16 units mentioned above, as well as 23 excess age-restricted rental units from Lincoln Commons, 10 units from the proposed Acme redevelopment area, 35 units from the proposed PATCO redevelopment area and five units from the proposed PNC Bank redevelopment area, said units totaling 89 units; and

WHEREAS, although Haddonfield's adjusted, projected growth share obligation is zero, the Borough will address any future growth share obligation with 23 credits consisting of five credits from Lincoln Commons and 18 credits from the CIS development; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on January 27, 2010, COAH issued a Compliance Report (attached as Exhibit B and incorporated by reference herein) recommending approval of Haddonfield Borough's petition for third round substantive certification; and

WHEREAS, there was a 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) and COAH received comments from Fair Share Housing Center that have been responded to in a separate report (Exhibit C).

NOW THEREFORE BE IT RESOLVED that the Housing Element and Fair Share Plan submitted by Haddonfield Borough comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(a), after having reviewed and considered all of the above, COAH hereby grants third round substantive certification to Haddonfield Borough; and

BE IT FURTHER RESOLVED that Haddonfield has satisfied the requirement in the November 22, 2004 scarce resource restraint that the Borough must receive third round substantive certification in order for COAH to lift the restraint on development; and

BE IT FURTHER RESOLVED that COAH hereby removes the scarce resource restraint in Haddonfield Borough; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(e), Haddonfield Borough shall adopt all implementing Fair Share Ordinances within 45 days of the grant of substantive certification; and

BE IT FURTHER RESOLVED that if Haddonfield Borough fails timely to adopt its Fair Share Ordinances, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Haddonfield shall submit all Fair Share Ordinances to COAH upon adoption; and

BE IT FURTHER RESOLVED that Haddonfield shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Haddonfield's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), COAH will verify and validate all credits during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Haddonfield and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a prorated production shortage of 10 percent or greater or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, COAH may direct Haddonfield Borough to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that, pursuant to N.J.A.C 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Haddonfield shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Haddonfield's substantive certification shall remain in effect until December 31, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Haddonfield Borough to provide for the realistic opportunity of its fair share of low- and moderate-income housing and which the Borough fails to remedy, may render this certification null and void.

I hereby certify that this resolution was  
duly adopted by the Council on Affordable  
Housing at its public meeting on March 10, 2010.

A handwritten signature in black ink, reading "Reneé Reiss". The signature is written in a cursive, flowing style with a large initial "R".

Reneé Reiss, Secretary  
Council on Affordable Housing



***Council on Affordable Housing  
Compliance Report  
January 27, 2010***



**Municipality:** Haddonfield Borough  
**County:** Camden County

**COAH Region:** # 5  
**Planning Area:** PA1  
**Special Resource Area:** N/A

**Housing Element and Fair Share Plan Adopted:** December 9, 2008  
**Petition for 3<sup>rd</sup> Round Substantive Certification:** December 31, 2008  
**Completeness Determination:** January 28, 2009  
**Date of Publication:** January 31, 2009 (Courier Post)

**Objections Received:** Fair Share Housing Center  
Mediation commenced July 28, 2009  
Mediation concluded: January 27, 2010

**Petition Includes:**  
**VLA:** Yes  
**GPA:** No  
**Waiver:** No

**Date of Site Visit:** February 4, 2010

**History of Approvals:**

	<b>COAH</b>	<b>JOC</b>	<b>N/A</b>
<b>First Round:</b>	6/26/89		
<b>Second Round:</b>	7/07/99		
<b>Extended Certification:</b>			X

**Plan Preparer:** Kathleen Grady, PP/AICP

**Municipal Housing Liaison:** Sharon McCullough

**Recommendation:** Grant substantive certification

***SUMMARY OF FAIR SHARE OBLIGATION***

Rehabilitation Share	29
Prior Round Realistic Development Potential (RDP) (Unmet Need of 155)	37
Projected Growth Share Obligation (Adjusted)	0

***ACTUAL GROWTH and GROWTH SHARE through 2008<sup>1</sup>***

Res Units (#)	Actual Res Growth Share	Jobs (#)	Actual Non-Res Growth Share	Actual TOTAL Growth Share
85	17	69	4	21 units

***COMPLIANCE PLAN SUMMARY***

Obligation	Credit/ Mechanism Type	# Units Completed	# Units Proposed	TOTAL
<b>Rehabilitation: 29 units</b>				
<b>Credits</b>	Post-April 1, 2000	0		0
<b>Proposed</b>	County/Muni		29	29
<b>Rehabilitation Subtotal</b>				<b>29</b>
<b>NEW CONSTRUCTION:</b>				
<b>Prior Round Realistic Development Potential: 37 units</b>				
<b>Credits</b>	Post-1986	24		24
<b>Proposed Mechanism</b>	Bancroft NeuroHealth	20		20
<b>Prior Round Bonuses</b>	Rental	9		9
<b>RDP Subtotal</b>				<b>53</b>
<b>Surplus toward unmet need</b>				<b>16</b>
<b>Prior Round Unmet Need: 155 Units</b>				
<b>Proposed Mechanisms</b>	RDP Surplus		16	16
	Lincoln Commons excess units		23	23
	Redevelopment Areas		50	50
<b>Unmet Need Subtotal</b>				<b>89</b>
<b>Growth Share: 0</b>				
<b>Credits</b>	Post-1986	5		5

<sup>1</sup> This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.

<b>Proposed Mechanisms</b>	CIS, Inc.		18	18
<b>Growth Share Subtotal</b>				<b>23</b>
<b>Surplus</b>				<b>23</b>

## I. HOUSING ELEMENT

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the municipality that are most appropriate to accommodate such housing. Haddonfield's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the municipality's fair share obligation, which is the sum of the rehabilitation share, the prior round obligation, and the growth share.

### A. Rehabilitation Share

The rehabilitation share is the number of existing housing units within a municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Haddonfield has a rehabilitation share of 29 units.

### B. Prior Round Obligation

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Haddonfield has a prior round obligation of 192. However, in 2006 COAH staff calculated a realistic development

potential (RDP) of 37 in a report dated October 4, 2006. This vacant land adjustment results in a reduced new construction obligation or RDP of 37 and an unmet need of 155.

### **C. Projected Growth Share**

The projected growth share is initially calculated based on household (residential) and employment (non-residential) 2004-2018 projections. Pursuant to Appendix F of N.J.A.C. 5:97, Haddonfield has a residential projection of 75 units and a non-residential projection of -181 jobs, which results in an initial projected growth share obligation of 15 affordable units. However, after subtracting the allowable exclusions itemized in Worksheet A (Attachment 1), both the residential and non-residential projections are reduced to 0 units. Therefore Haddonfield's total projected growth share for the period 1999-2018 is 0 affordable units consisting of a 0-unit projected residential growth share and a 0-unit projected non-residential growth share.<sup>2</sup>

#### **SUMMARY OF FAIR SHARE OBLIGATION**

Rehabilitation Share	29
Prior Round Realistic Development Potential (Unmet Need of 155)	37
Projected Growth Share Obligation (Adjusted)	0

## **II. FAIR SHARE PLAN**

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to specifically address a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that

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<sup>2</sup> Pursuant to N.J.A.C. 5:97-2.2(d), Haddonfield's residential projection of 0 is divided by 5 to yield 0 units and the nonresidential projection of 0 jobs is divided by 16 to yield 0 units. Haddonfield's total projected growth share is therefore 0 units.



plan. Affordable housing must be provided in direct proportion to the growth share obligation generated by the actual growth.

Haddonfield's Fair Share Plan, and the supporting documentation incorporated by reference therein, addresses the requirements of N.J.A.C. 5:97-3.1 as follows:

**A. Plan to Address Rehabilitation Share**

**Rehabilitation Share Credits**

Haddonfield's Housing Element/Fair Share Plan does not include a request for rehabilitation credits.

**Proposed Rehabilitation Program**

***County Rehabilitation Program***

Haddonfield proposes to utilize the Camden County Community Development program to address its 29-unit rehabilitation obligation. The Borough will provide funding from the affordable housing trust fund if necessary to supplement the County's CDBG or HOME program funds. Haddonfield has submitted a rehabilitation schedule indicating that funding for a minimum of 15 rehabilitations will be available by 2014, which is the midpoint of the third round. On December 9, 2008, the Borough adopted a resolution of intent to bond in the event of a shortfall in funding the rehabilitation program.

Haddonfield submitted an executed Interlocal Services Agreement with Camden County dated May 20, 2008. Haddonfield's plan states that the Borough will participate in Camden County's rehabilitation program beginning in the year which COAH certifies the Borough to satisfy the 29-unit rehabilitation obligation. The Camden County program is currently open only to owner-occupied units and N.J.A.C. 5:97-6.2(b)6 requires that all rehabilitation programs must be available to rental properties. The Borough has stated that it will work with Camden County with the goal of the County incorporating a rental component into its rehabilitation program. Camden County is currently carrying out a pilot program in Berlin Township that addresses the rehabilitation of rental units. If successful, the County plans to make this program available to additional municipalities.

In the event that Haddonfield is not able to participate in this expanded program, the Borough must propose a program that satisfies the rental rehabilitation obligation. The Borough has allocated \$290,000 in its spending plan for the rehabilitation program in the event the County cannot meet the Borough's rehabilitation needs.

**Proposed Rehabilitation Program**

<b>Rehabilitation Program</b>	<b># Units</b>
Camden County Division of Community Development	29
<b>TOTAL</b>	<b>29</b>

**B. Plan to Address Prior Round Obligation**

**Prior Round Obligation Credits**

***Realistic Development Potential (RDP)***

Haddonfield is addressing a portion of the Prior Round RDP with 24 post-1986 credits. In accordance with N.J.A.C. 5:97-4.1(d), COAH will verify and validate all credits during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

**Post-1986 Credits  
(Toward RDP of 37)**

<b>Project/Development Name</b>	<b>Year</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Kings Court	2006	Family sales	4			4
Lincoln Commons <sup>3</sup>	2002	Age-restricted rentals	16			16

<sup>3</sup> Lincoln Commons is a 48-unit age-restricted rental development completed in 2002. Haddonfield proposes to apply 16 credits toward the RDP, 23 toward unmet need and five credits toward the growth share.

Bancroft NeuroHealth	1996	Group home	4		4	8
<b>TOTALS</b>			<b>24</b>		<b>4</b>	<b>28</b>

### **Proposed Affordable Housing Mechanisms**

Haddonfield proposes to address the remaining nine-unit Prior Round RDP through the following mechanism:

#### ***Bancroft Redevelopment Site***

Haddonfield will utilize inclusionary zoning associated with a redevelopment area and rental bonuses to address the remaining nine units of its RDP as well as a portion of its unmet need.

The Bancroft NeuroHealth, Inc. school site is an approximately 17.5 acre site (Block 14/Lot 2 and Block 13/Lot 25) that fronts on Kings Highway (Route 41) and Hopkins Lane. Haddonfield High School is located to the southeast and there are residences both across Kings Highway and to the rear of the property along Hopkins Lane. The site is located in PA1 (Metropolitan) pursuant to the State Development and Redevelopment Plan. Portions of the site are affected by steep slopes, wetlands and floodplains associated with the Cooper River. The site is served by public water and sewer.

Bancroft currently operates a non-profit school for developmentally disabled children. There are classrooms for day students as well as residential facilities on the campus. In 2005, Haddonfield adopted a resolution declaring the Bancroft site an area in need of redevelopment. Bancroft representatives and Borough officials have been in negotiations to establish a redevelopment plan. The property is currently zoned for residential development and the owner of the site has expressed a desire to sell the property for residential development.

One acre of the 17.5 acre site is excluded from redevelopment due to the historic nature of the structures on-site. Haddonfield proposes to develop the site with a minimum of 90 units, including 80 market-rate units and 10 affordable sale units. To

meet the 20 percent set-aside requirement, Bancroft will also fund 10 of the 28 units in a 100% affordable family rental development, which Community Investment Strategies (CIS) will develop behind the Haddonfield Borough Hall (See discussion of CIS Site below). The on-site and off-site units will comply with COAH and UHAC requirements concerning low-moderate income split, affirmative marketing, controls on affordability, bedroom distribution and accessible and adaptable regulations. **[10 family sale units]**

### ***Community Investment Strategies/Family Rentals***

The CIS site is a 1.5-acre site (portion of Block 33.02/Lot 1 and portion of Block 33/Lots 12, 14-and 15) located behind the Borough Hall. The municipally owned site is currently used as a public parking lot. The Borough anticipates that the site will accommodate 28 family rental units. The Borough has selected CIS to develop, own and manage the affordable housing development. Once CIS acquires the necessary funding from outside funding sources, the Borough will either transfer the title or enter into a long-term (99 years) lease arrangement with CIS.

Ten of the 28 units will address the prior round obligation and 18 will address growth share. Haddonfield has provided the resolution designating the redevelopment area, a project/program information form and the Request for Proposals, which includes the requirement for affordable housing. Haddonfield is also eligible for five rental bonuses for this development.<sup>4</sup>

The site is in a PA1, has available water and sewer service and is free of wetlands and historic structures. The site is adjacent to a single-family residential area and is accessible to retail services near the center of town. CIS will be the designated administrative agent for the development and the rental units will meet UHAC requirements concerning length of affordability controls, low/moderate-income split, affirmative marketing and bedroom distribution. The Borough proposes to satisfy the very low-income requirement with two units at the CIS site.

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<sup>4</sup> Although the plan proposes 10 bonuses for this development, the formula shown in the "Prior Round Parameters" section shows that the Borough's calculation exceeds the rental bonus maximum. COAH staff has therefore assigned five rental bonuses to this project.

According to the project summary (pro forma) submitted with the Fair Share Plan, total project cost for the 28-unit development is \$6,750,220. The Borough expects that funding will consist of a combination of support through the redevelopment of the Bancroft site (\$1 million payment in-lieu of construction), Low Income Housing Tax Credits, NJDCA Balanced Housing Funds, Federal Home Loan Bank funds and County HOME funds. The Borough anticipates that these funding sources will cover the full acquisition and construction costs. In the event of a shortfall of funding, the Borough may designate up to \$195,000 in anticipated development fees to cover any shortfall. The Borough has submitted a construction schedule for the project and anticipates construction to begin in 2011 or 2012. **[10 family rental units + five rental bonuses]**

**Proposed Affordable Housing Mechanisms  
(Toward RDP of 37)**

<b>Type/Name of Affordable Housing Mechanism</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Bancroft redevelopment	On-site	10			10
Bancroft redevelopment (CIS site)	Off-site rentals	10	Rental	5	15
<b>TOTALS</b>		<b>20</b>		<b>5</b>	<b>25</b>
<b>Surplus credits above RDP of 37<sup>5</sup> (to be applied to unmet need)</b>					<b>16</b>

***Unmet Need***

As indicated above, Haddonfield has 16 units in excess of its RDP of 37 which it may use to address a portion of its 155-unit unmet need. The Borough is also applying 23 excess age-restricted rental units at the 48-unit Lincoln Commons development to its unmet need. In addition, the Borough has a development fee ordinance and inclusionary zoning which mandates a 20% affordable housing set-aside on any redevelopment in the

<sup>5</sup> The Post-1986 Credits and bonuses (28) are added to the Proposed Affordable Housing Mechanisms (25) to produce 53 credits. This represents a surplus above the RDP of 16 (53-37=16).

Borough that generates five or more residential units. The three areas in addition to the Bancroft site that may produce affordable units because of the overlay zoning are described below.

***Acme Site—Unmet Need***

The Acme site (Block 39/Lots 6, 6.01 and 9.01) is a 2.3-acre parcel, which fronts on Ellis Street. The site has an operational Acme and surface parking. The Downtown Zoning Code, adopted July 14, 2008, would permit the development of approximately 50 residential units on the 2.3-acre site. The Code requires that developments containing five or more units and developments of five or more acres either provide 20% affordable housing or pay an in lieu fee. The Borough will require that 20% or up to 10 affordable units be produced as part of any redevelopment plan for the site.

***“PATCO” Site—Unmet Need***

The Port Authority Transit Corporation (PATCO) site (Block 118/Lot 14, Block 134/Lot 9, Block 36/Lots 1.01 and 14.02) is a 7.7-acre site, which currently contains a parking lot serving the Haddonfield train station and bus depot. It is unclear if and when PATCO will consider this site for redevelopment. In response to COAH’s recommendation that the Borough consider this site as a potential mechanism to address unmet need, Haddonfield has included the PATCO site in its Fair Share Plan. The Downtown Zoning code would permit approximately 140 residential units and a limited amount of new non-residential space on the PATCO site. The Borough has stated it will require a 25% set-aside or up to 35 affordable units as part of any redevelopment plans suggested by PATCO.

During mediation conducted from July 28, 2009 through January 27, 2010, Haddonfield agreed to adopt third round overlay zoning on the PATCO site requiring a minimum of 50% of the square footage proposed at the site to be residential, which would produce affordable housing as part of any redevelopment proposals for the site. Such required residential development would be required to provide a 25% affordable housing set-aside in accordance with the existing zoning.

***PNC Bank Site—Unmet Need***

The PNC Bank site (Block 11.05/Lot 1) fronts on Haddon Avenue and houses an operating PNC Bank with off-street surface parking. The Downtown Zoning Code would permit approximately 24 residential units. With the required 20% set-aside, the site could produce up to five affordable units as part of a redevelopment proposal.

**Proposed Prior Round AH Mechanisms  
(Unmet Need)**

Type/Name of AH Mechanism	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
Bancroft Surplus		16			16
Lincoln Commons excess age-restricted units	Age-restricted rentals	23			23
Acme Redevelopment—unmet need	Not specified	10			10
PATCO Redevelopment-unmet need	Not specified	35			35
PNC Bank Redevelopment—unmet need	Not specified	5			5
<b>TOTALS</b>		<b>89</b>			<b>89</b>

**Prior Round Obligation Parameters**

Haddonfield has satisfied the applicable Prior Round parameters for its RDP of 37. There are no applicable parameters for the unmet need portion of Haddonfield's plan.

**Prior Round Rental Obligation:<sup>6</sup> 9 Units**

Development/Project Name	Type of Affordable Unit	Units
Lincoln Commons	Age-restricted rentals	9

<sup>6</sup> Rental Obligation: = .25 (RDP) = .25(37) = 9.25 N.J.A.C. 5:97-3.11(b)1

Bancroft NeuroHealth	Group home	4
Bancroft off-site	Family rental	10
<b>TOTAL</b>		<b>23</b>

**Prior Round Age-Restricted Maximum<sup>7</sup> : 16 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b>Units</b>
Lincoln Commons	Age-restricted sales	16
<b>TOTAL</b>		<b>16</b>

**Prior Round Rental Bonus Maximum<sup>8</sup> : 9 Units**

<b>Development/Project Name</b>	<b>Type of Bonus</b>	<b># Bonuses</b>
Bancroft NeuroHealth	Rental	4
Bancroft Off-site	Rental	5
<b>TOTAL</b>		<b>9</b>

The Borough's plan exceeds the rental bonus maximum by five, in that they requested 10 rental bonuses for the CIS development. As noted on page 8, footnote 4 of this report, Haddonfield is eligible for nine, not 14, rental bonuses. COAH staff has therefore assigned five rather than 10 rental bonuses to the Bancroft Off-site/CIS development.

<sup>7</sup> Age-Restricted Maximum:  $.25 (\text{RDP} + \text{Rehabilitation share} - \text{Rehabilitation credits}) + .25(37 + 29 - 29) = 16$

<sup>8</sup> No rental bonuses shall be granted for rental units in excess of the prior round rental obligation, therefore, PR Rental Bonus Maximum = PR Rental Obligation N.J.A.C. 5:97-3.5



**C. Plan to Address Projected Growth Share**

**Growth Share Obligation Credits**

Although Haddonfield has calculated a projected zero-unit growth share obligation, the Borough is proposing to address its actual growth share obligation with five credits.

**Post-1986 Credits**

<b>Project/Development Name</b>	<b>Year Built or Approved</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Lincoln Commons	2002	Age-restricted sales	5			5
<b>TOTALS</b>			<b>5</b>			<b>5</b>

**Proposed Affordable Housing Mechanisms**

Although Haddonfield has calculated a projected zero-unit growth share obligation, the Borough proposes to address its actual growth share obligation through the following mechanism:

***Community Investment Strategies (CIS) Site***

The CIS site is a municipally owned, 1.5- acre site located behind the Borough Hall. The 28-unit family rental project is discussed in the section of this report entitled “Prior Round Affordable Housing Mechanisms.” Haddonfield will use the remaining 18 units from the CIS site to address any growth share obligation the Borough incurs. While Haddonfield requests five rental bonuses for the CIS rental development, pursuant to N.J.A.C. 5:97-3.6, a municipality may only receive rental bonuses in excess of its growth share rental obligation. Since its adjusted growth share obligation is zero, there is no rental obligation at this time. However, during the period of certification, the Borough will need to address its rental obligation in keeping with its actual growth share obligation. **[18 family rental units]**

Type/Name of Affordable Housing Mechanism	Type of Affordable Unit	# Units/Bedrooms	Bonus Type	# Bonuses	Total Units/Bedrooms + Bonuses
CIS	Family rental	18			18
<b>TOTALS</b>		<b>18</b>			<b>18</b>

### **Growth Share Parameters**

With a projected growth share obligation of zero, Haddonfield does not need to address Growth Share parameters.

### **Actual Growth Share Obligation**

The actual growth share obligation will be based on permanent certificates of occupancy issued within the municipality for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

According to the *Construction Reporter*, from January 1, 2004 to September 30, 2008, Haddonfield issued 85 certificates of occupancy for housing units and for the non-residential square footage equivalent of 69 jobs, yielding an actual growth share obligation through September 30, 2008, of 21 affordable units.<sup>9</sup>

<sup>9</sup> The number of residential COs (85) is initially divided by 5 to yield 17 units and the number of jobs (69) is initially divided by 16 to yield 4.3 units. Haddonfield's total actual growth share is therefore 21 units (17 + 4.3). **Note:** This number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.

**D. Summary of Plan to Address Fair Share Obligation**

**REHABILITATION SHARE SUMMARY**  
**Rehabilitation Share: 29 Units**

<b>Program Name</b>	<b># Units</b>
Camden County Rehabilitation Program	29
<b>TOTAL</b>	<b>29</b>

**PRIOR ROUND SUMMARY**  
**RDP: 37 Units**

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
<b>Post-1986 Credits</b>	Kings Court	4			4
	Lincoln Commons	16			16
	Bancroft NeuroHealth	4	Group home	4	4
<b>Proposed Mechanisms</b>	Bancroft Redevelopment on-site	10			10
	Bancroft Redevelopment off-site	10	Rental	5	15
<b>Subtotal</b>		<b>44</b>		<b>9</b>	<b>53</b>
<b>Surplus addressing unmet need</b>					<b>16</b>

**Unmet Need: 155 Units**

<b>Type/Name of AH Mechanism</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Bancroft Surplus		16			16
Lincoln Commons	Age-restricted sales	23			23

Acme Redevelopment—unmet need	Not specified	10			10
PATCO Redevelopment-unmet need	Not specified	35			35
PNC Bank Redevelopment—unmet need	Not specified	5			5
<b>TOTALS</b>		<b>89</b>			<b>89</b>

**GROWTH SHARE SUMMARY**  
**Projected Growth Share Obligation: 0 Units**

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
<b>Credits</b>	Lincoln Commons	5			5
<b>Proposed Mechanism</b>	CIS	18	Rental		18
<b>TOTAL</b>					<b>23</b>
<b>Surplus</b>					<b>23</b>

### **III. FAIR SHARE DOCUMENT REVIEW**

#### **A. Development Fee Ordinance**

COAH granted Haddonfield approval of a development fee ordinance on February 28, 2006. Haddonfield submitted a draft amended development fee ordinance for COAH's review and approval with its third round petition. COAH approved the amended ordinance on July 20, 2009.

#### **B. Third Round Spending Plan**

Haddonfield submitted a third round spending plan for COAH's review and approval with its third round petition. COAH will review the spending plan in a separate

report.

**C. Affordable Housing Ordinance/Affordable Housing Administration**

Haddonfield submitted an affordable housing ordinance with its third round petition. COAH approved the Affordable Housing Ordinance on January 6, 2010.

The Borough submitted on January 27, 2009 a designation form for the Municipal Housing Liaison.

Haddonfield is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the Borough, and has identified experienced administrative entities for that purpose. In April 2009, Haddonfield extended by three years its contract with Housing Affordability Services of New Jersey (HAS) for the management and administration of affordable housing units created in the Borough (Resolution 2009-04-28-100, adopted April 28, 2009). The contract with HAS will run through August 2012.

**D. Affirmative Marketing Plan**

Haddonfield submitted an affirmative marketing plan with its third round petition. COAH staff is reviewing the affirmative marketing plan separately and will provide comments separately.

**IV. MEDIATION**

Mediation commenced on July 28, 2009 and concluded on January 27, 2010. Attachment 2 contains a copy of the Mediation Report.

**V. RECOMMENDATION**

COAH staff recommends that the Council grant Haddonfield Borough third round substantive certification. Haddonfield must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption

## **Workbook A: Growth Share Determination Using Published Data**

(Using Appendix F(2), *Allocating Growth To Municipalities*)

### **COAH Growth Projections**

**Must be used in all submissions**

**Municipality Name:**

**Haddonfield Borough**

Enter the COAH generated growth projections from Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. on Line 1 of this worksheet. Use the Tab at the bottom of this page to toggle to the exclusions portion of this worksheet. After entering all relevant exclusions, toggle back to this page to view the growth share obligation that has been calculated. Use these figures in the Application for Substantive Certification.

	<b>Residential</b>	<b>Non-Residential</b>
1 <b>Enter Growth Projections From Appendix F(2) *</b>	75	-181
2 <b>Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from "Exclusions" tab</b>	<a href="#">Click Here to enter Prior Round Exclusions</a>	
COs for prior round affordable units built or projected to be built post 1/1/04	74	
Inclusionary Development	0	
Supportive/Special Needs Housing	0	
Accessory Apartments	0	
Municipally Sponsored	0	
or 100% Affordable	0	
Assisted Living	0	
Other	0	
Market Units in Prior Round Inclusionary development built post 1/1/04	295	
3 <b>Subtract the following Non-Residential Exclusions (5:97-2.4(b))</b>		
Affordable units	1	
Associated Jobs		20.8
4 <b>Net Growth Projection</b>	-295	-202
5 <b>Projected Growth Share</b> (Conversion to Affordable Units Dividing Households by 5 and Jobs by 16)	0.00 Affordable Units	0.00 Affordable Units
6 <b>Total Projected Growth Share Obligation</b>		0 Affordable Units

\* For residential growth, see Appendix F(2), Figure A.1, Housing Units by Municipality. For non-residential growth, see Appendix F(2), Figure A.2, Employment by Municipality.

**COAH Mediation Report**  
**Haddonfield Borough/Camden County**  
**Prepared by:**  
**Gina Fischetti**  
**COAH Mediator**  
**January 27, 2010**

On July 28, 2009 and on October 13, 2009 mediation sessions were held between representatives for Haddonfield Borough (“Haddonfield” or the “Borough”) and Fair Share Housing Center (FSHC), the sole objector to Haddonfield’s Third Round Housing Element and Fair Share Plan (“HEFSP”). FSHC filed an objection to Haddonfield’s HEFSP with New Jersey Council on Affordable Housing (“COAH” or the “Council”) on March 17, 2009. Appearing on behalf of the Borough were Edward F. Borden, Jr., Borough Commissioner; Andrew Johnson, Planning Board Chairman; Sharon McCullough, Borough Administrator; Steven Walko, Community Development Director; Edwin W. Schmierer, Esq., Borough Attorney; and Mary Beth Lonergan, COAH Planner. Appearing for FSHC were Kevin Walsh, Esq., and Adam Gordon Esq. Two mediation sessions were held and numerous negotiations were held via phone and e-mail.

**Background**

Haddonfield petitioned COAH on December 29, 2008 with a plan to address its cumulative affordable housing obligation, which consists of a rehabilitation obligation of 29 units, a prior round fair share obligation 192 consisting of a Realistic Development Potential (RDP) of 37 units and an unmet need of 155 and a projected growth share obligation of 15 affordable units which, after subtracting the allowable exclusions itemized in Worksheet A, is reduced to 0 units. According to the Council’s pre-mediation report of June 25, 2009, Haddonfield proposes to address its rehabilitation obligation through the Camden County Community Development program and will provide funding from its affordable housing trust fund, if necessary, to supplement the County’s CDBG or HOME program funds.

Haddonfield will meet a portion of its Prior Round RDP with 24 post-1986 credits from Kings Court, Lincoln Commons, and Bancroft NeuroHealth Group Home. The Borough will meet its remaining nine-unit RDP and a portion of its unmet need through the use of inclusionary

zoning on the Bancroft redevelopment site.

The Borough will address the remainder of its 155-unit unmet need through excess units at the Bancroft Redevelopment site, the Lincoln Commons site and through overlay zoning on the Acme site where the Downtown Zoning Code would permit the development of approximately 50 residential units with a 20 percent set-aside or payment in lieu on the 2.3-acre site. The Borough will require that 20% or up to 10 affordable units be produced as part of any redevelopment plan for the site. In addition, the Borough has overlay zoning on the PNC Bank site (Block 11.05/Lot 1) which fronts on Haddon Avenue and houses an operating PNC Bank with off-street surface parking. The Downtown Zoning Code would permit approximately 24 residential units. With the required 20% set-aside, the site could produce up to five affordable units as part of a redevelopment proposal. In addition, Haddonfield offers as part of its mediation settlement proposal to rezone the Port Authority Transit Corporation (PATCO) site, which currently contains a parking lot serving the Haddonfield train station and bus depot. In response to COAH's recommendation that the Borough consider this site as a potential mechanism to address unmet need and in response to FSHC's concerns regarding the overlay zoning on the site, Haddonfield has included the PATCO site in its Fair Share Plan. The Downtown Zoning code would permit approximately 140 residential units and a limited amount of new non-residential space on the PATCO site. The Borough has stated it will rezone the site to require that 50 percent of all development on the site be residential and that 25 percent of the residential units be reserved as affordable units.

### **Mediation**

FSHC's primary objection to Haddonfield's plan, and the focus of mediation, concerns FSHC's allegation that Haddonfield failed to consider affordable housing potential resulting from the Borough's redevelopment plans and the overlay zoning adopted by Haddonfield to address the Borough's 155-unit unmet need. FSHC also objected to Haddonfield not calculating an RDP for the entire Borough and continuing to claim a prior round vacant land adjustment of 155 units.

During mediation, FSHC expressed its concern regarding the unmet need sites identified in Haddonfield's HE/FSP, namely PNC, Acme and PATCO, stating that the zoning on the sites, while requiring a 20 percent affordable housing set-aside for residential units, did not expressly



require that residential units be constructed on any of the sites. FSHC argues that the zoning was in contradiction to COAH's regulations at N.J.A.C. 5:97-5.3(b), which requires that in addressing unmet need a municipality may adopt overlay zoning requiring inclusionary development and that the Council may permit the existing use on the site to continue and expand as a conforming use, but provide that when the prior use on the site is changed, that the site shall produce low- and moderate-income housing.

Prior to mediation concluding, the Council received a motion from an inclusionary developer in Haddonfield, Estaugh Commons, who wishes to develop an inclusionary residential development on a property consisting of approximately 1.7 acres, requesting that its project be determined to be exempt from the Scarce Resource Restraint imposed upon the Borough and asking the Council to require that Haddonfield include Estaugh's development in its HE/FSP. Estaugh's concept plan for the property consists of thirty-five units of family housing with a twenty percent (20%) set-aside for low and moderate-income households. The Council passed a Resolution on January 13, 2010 exempting the development from the Scarce Resource Restraint but denying, without prejudice, the request that the project be included in the HE/FSP, allowing the municipality to go through with the local approval process.

In response to FSHC's objections, Haddonfield maintains that COAH's third round rules on unmet need at N.J.A.C. 5:97-5.3(b) state that the "Council may require one or any combination of the following in an effort to address unmet need..." The Borough argued that its HEFSP provides a number of opportunities addressing unmet need as follows:

1. Existing excess senior rentals (23 units) from Lincoln Commons;
2. Surplus credits (17 credits) over and above the COAH-assigned RDP from the Bancroft and CIS proposals; and
3. An adopted development fee ordinance; and
4. Previously adopted Borough-wide overlay zoning which requires a 20% affordable housing set-aside on any new residential development. The Borough argues that such overlay zoning complied with COAH's second round and initial 2004 third round COAH regulations.

In addition, Haddonfield agreed to adopt third round overlay zoning on the PATCO site requiring a minimum of 50% of the square footage proposed at the site to be residential, which would produce affordable housing as part of any redevelopment proposals for the site. Such required residential development would be required to provide a 25% affordable housing set-aside in accordance with the existing zoning.

Regarding FSHC's objection concerning Haddonfield's RDP, Haddonfield maintains that the RDP number is settled as set forth in COAH's June 25, 2009 Pre-Mediation Report.

FSHC responded that the Estaugh site should be included in the Borough's plan, and that N.J.A.C. 5:97-5.3(b)3 should be applied to require that affordable housing is produced when a change of use occurs with regard to all of the overlay sites in the Borough. Further, FSHC requested that the Borough provide information regarding the expected residential yield from the PATCO site under the Borough's proposal.

Haddonfield indicated that its plan contemplates that the 7.7-acre site PATCO site located at Block 118/Lot 14, Block 134/Lot 9 and Block 6/Lots 1.01 and 14.02 site will accommodate approximately 140 total residential units and 12,000 square feet of non-residential development. Haddonfield believes that the 140 total residential units projected represent approximately 90% of the total square footage on the tract. Thus, although the proposal sets forth a minimum of 50% or 70 total units, the Borough projects that it will most likely be a higher number of units ultimately produced. Lastly, the affordable housing set-aside remains at 25% of the total residential count, resulting in an estimated minimum of 18 affordable housing units if at least 70 total units were produced. Regarding the Estaugh Commons site, the Borough relied on its previous response to the Estaugh application, which notes that the application has yet to go through the local review process and that if approved, the Borough's overlay ordinance will require a 20% affordable housing set-aside.

Despite their best efforts, the parties have been unable to reach an agreement resulting in the withdrawal of FSHC's objection to Haddonfield's HE/FSP. Mediation was concluded on January 27, 2010. No contested issues of material fact remain regarding whether Haddonfield's HE/FSP provides a realistic opportunity for the Borough to meet its affordable housing obligations. It is recommended that the Council certify Haddonfield's HE/FSP.

**COAH REPORT IN RESPONSE TO COMMENTS  
RECEIVED REGARDING 1/27/10 COMPLIANCE REPORT  
HADDONFIELD BOROUGH/CAMDEN COUNTY  
REGION #5  
February 24, 2010**

During the 14-day comment period following the issuance of Haddonfield Borough's Compliance Report, COAH received one comment: Kevin D. Walsh, Esq., Fair Share Housing Center (FSHC). All comments are attached and do not alter the Compliance Report.

Fair Share Housing Center's Comments

Mr. Walsh, on behalf of FSHC, cites three objections to Haddonfield's plan and the Council's January 27, 2010 compliance report. First, FSHC states that Haddonfield has not prepared a revised Realistic Development Potential (RDP) to account for likely and possible development in addition to the Bancroft site. Next, FSHC states that COAH is allowing the Borough to improperly apply the conditions for overlay zoning. Finally, FSHC regards the 11.25 units per acre density at the Bancroft site to be too low for Planning Area 1 and the surrounding area.

COAH's Response

With regard to the first comment, Haddonfield Borough did provide a vacant land inventory that shows the scarcity of properties that can support affordable housing. Haddonfield also maintains overlay zoning which requires that any development consisting of five or more units must provide a 20% set-aside. The Estaugh Commons site did not become an issue until after COAH issued the June 25, 2009 pre-mediation RRAI and so was not part of the RDP calculation. In any event, if the Estaugh project does go forward, the Borough will require a 20% affordable housing set-aside.

COAH's third round rules on unmet need at N.J.A.C. 5:97-5.3(b) state that the "Council may require one or any combination of the following in an effort to address unmet need...." The Borough's Fair Share Plan provides a number of opportunities addressing unmet need, including existing excess senior rentals from Lincoln Commons, surplus credits from the proposed Bancroft redevelopment and CIS rental project, an adopted development fee ordinance

and existing overlay zoning. In addition, during mediation Haddonfield agreed to adopt third round overlay zoning on the PATCO site requiring a minimum of 50% of the square footage proposed at the site to be residential, which would produce affordable housing as part of any redevelopment proposals for the site. Such required residential development would be required to provide a 25% affordable housing set-aside in accordance with the existing zoning.

Finally, inclusionary development in Planning Area 1 carries a presumptive minimum density of only eight units per acre, similar to the density of existing residential uses along Hopkins Lane. In contrast, the RDP density at the Bancroft site is calculated at 11.25 units per acre, a density similar to residential uses on the south side of Kings Highway East. The current RDP density is appropriate for this site.